



State of Utah

DEPARTMENT OF COMMERCE
Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services held in
Room 205 of the Heber M Wells Building, Salt Lake City, on 7 January 2003

Dee Jay Hammon called the meeting to order at 9:35am in Room 205.

Members of the Committee in Attendance:

Franz Amussen
Candace Hammer

Kent Bateman
Dee Jay Hammon

Kelly Casaday
Betsy Wolf

Staff in Attendance:

Roger Ball
Dan Gimble
Eric Orton
Reed Warnick

Andrea Coon
Cheryl Murray
Louise Russell

Kelly Francone
Jenny Nones
Oliwia Smith

Members of the Public in Attendance:

Lowell Alt
Bob Lively
Wes Quinton

Dave Anderton
Barrie McKay
Bayard Taylor

Matt Golson
Steven Oberbeck
Kathy Van Dame

1 Administrative Matters

1.1 Welcome and Apologies for Absence

Dee Jay Hammon welcomed all those present.

1.2 Minutes of Previous Meetings

Betsy Wolf proposed that the minutes of the meeting held on 26 November 2002 be approved.

Kent Bateman seconded the proposal, which passed unanimously.

1.3 Dates and Locations of Next Meetings

The next meetings of the Committee will be held on Tuesdays, 11 March and 8 April, both commencing at 9:30am until 2:30pm, in room 4A of the Heber M Wells Building.

Dee Jay Hammon encouraged Committee members to attend the upcoming conference on the evolving wholesale electricity market, organized in Albuquerque by New Mexico State University's Center for Public Utilities.

2 Telecommunications

2.1 Sale of Yellow Pages

Oliwia Smith explained that settlement negotiations were taking place.

Roger Ball explained the confidential nature of the settlement process.

2.2 Pricing Flexibility

Oliwia Smith and Reed Warnick outlined developments in the two cases. Testimony had been filed in the residential case on 6 January 2003.

3 Gas

3.1 Questar Gas Rate Case

Reed Warnick reviewed the case, the agreements on test year and revenue requirement, and the Commission's Order on the litigated rate of return issues. He explained that the Commission had incorporated a rate reduction from Questar's most recent Pass-through filing to moderate the increase from the Rate Case.

Cheryl Murray explained that, in its Rate Case Order, the Commission had created several task forces arising from the stipulation. Two of them, the Demand Side Management and Customer Service Issues task forces have already held their initial meetings.

4 Electricity

4.1 Visit to Ben Lomond Sub-station

Cheryl Murray announced that the Ben Lomond Sub-station tour was scheduled for Monday, 13 January, with transportation provided by PacifiCorp.

4.2 UAMPS Generator

Cheryl Murray said that no party had opposed the construction of the generator, and completion was expected in June 2004.

4.3 Restructuring

Roger Ball updated members on developments concerning the Federal Energy Regulatory Commission's Notice of Proposed Rulemaking regarding Standard Market Design. He and Dee Jay Hammon expressed numerous concerns. Dee Jay said the Committee must continue to be diligent in its efforts to ensure that the proper decision is reached.

Dee Jay encouraged members to remain aware of, and informed on, current developments regarding this major issue.

4.4 Consideration of Three Contract Amendments

Kent Bateman proposed that the Committee of Consumer Services extend the termination dates of the SRP contracts with Hayet, Larkin and Synapse to 31 December 2003, to enable these consultants to continue their work on this project; and allocate a further \$23,450– for a total of \$46,450– to the Hayet contract and a further \$51,000– for a total of \$163,000 – to the Synapse contract. Candace Hammer seconded the proposal and it passed unanimously.

5 2003 Legislative Session

Roger Ball reviewed those legislative bills of interest and concern, and discussed their likely impact on Utah ratepayers.

Members agreed to attend those legislative meetings that included issues of concern to the Committee.

6 Closed Meeting

Franz Amussen proposed that the Committee close the meeting to discuss pending or reasonably imminent litigation issues. Kelly Casaday seconded the proposal and it passed unanimously.

Kent Bateman proposed that the Committee reopen the meeting. Franz Amussen seconded the proposal and it passed unanimously.

7 Other Business

Dee Jay Hammon discussed budgetary issues, expressed his concern for Utah ratepayers regarding the deregulation process, and reviewed his planned meeting with the Governor.

8 The Committee: Its Function and Its Future

Roger Ball reviewed the plans for the Committee's presence in the Capitol Rotunda on Tuesday, 21 January, in celebration of its twenty-fifth anniversary.

Franz Amussen's proposal that the meeting adjourn was unanimously approved, and the meeting ended at 1:30pm.